Amendments to the Specification:

On page 5, please replace the paragraph that begins on line 21 with the following:

In the embodiment shown in FIG.3, first node transceiver port 305 is comprised of first node transmitter port 309, which is coupled to transmit packets to second node receiver port 342. Also, first node transceiver port 305 is comprised of first node receiver port 311, which is coupled to receive packets from second node transmitter port 344. First node receiver port 309 can include plurality of receive buffers 364 to store plurality of priority levels of packets 312 from second node transmitter port 344. Also, second node receiver port 342 can include plurality of receive buffers to store plurality of priority levels of packets 312 from first node transmitter port 309. Plurality of receive buffers 364 can be a First-in-first-out (FIFO) queue, Virtual Output Queue (VOQ), and the like.

On page 14, please replace the paragraph that begins on line 11 with the following:

As shown in FIG. 3, first node 302 can include any number of other transceiver ports up to Xth transceiver port 307. Also, other transceiver ports can operate on other channels and be fed by other plurality of transmit buffers, plurality of receive buffers, and the like. Other transceiver port can also be coupled to send/receive plurality of priority levels of packets 312 with other nodes 306 having other traffic managers and other transceiver ports. Any number of transceiver ports and downstream transceiver ports are within the scope of the invention. In an embodiment, one, some or all of transceiver ports of first node 302 can be equipped with plurality of transmit buffers and/or plurality of receive buffers.

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